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SUBJECT: JAPANESE MORNING PRESS HIGHLIGHTS 05/07/08

Opinion polls:

- 1) Foreign Ministry-commissioned Gallup poll shows 7 point drop in Americans' "trust in Japan," but the level is still a healthy 67 PERCENT (Asahi)
- 2) Mainichi poll: 51 PERCENT of Japanese want the government to take a tougher stance toward China (Mainichi)
- 3) Kyodo poll: Fukuda Cabinet support rate sharply drops 6.8 points to new low of 19.8 PERCENT lowest rate since Mori Cabinet (Tokyo Shimbun)
- 4) Mainichi poll: Cabinet support rate plummets to new low of 18 PERCENT, with non-support rate at 70 PERCENT; DPJ outstrips LDP support 28 PERCENT to 20 PERCENT (Mainichi)
- 5) Poll on Fukuda cabinet, political parties (Nikkei)
- 6) Mainichi poll shows Ichiro Ozawa 4 points ahead of Yasuo Fukuda as "appropriate" choice for prime minister (Mainichi)
- 7) 59 PERCENT of public say if an Upper House censure motion against the prime minister passes, he should dissolve the Diet and call for a snap election: Mainichi poll (Mainichi)
- 8) Asahi poll on Constitution finds 66 PERCENT opposed to, 23 PERCENT in favor of changing Article 9 (Asahi)
- 9) Nikkei poll on Constitution finds less than a majority - 48 PERCENT favoring reform, but this is a 3 point drop from the last poll (Nikkei)
- 10) Cabinet Agency survey: 40 PERCENT of Japanese feel anxious about their food supply (Asahi)

China ties:

- 11) During Fukuda-Hu summit talks, Japan and China will agree to joint plan to inject CO2 into oil wells (Nikkei)
- 12) In separate climate change statement during President Hu's summit meeting, China will agree to join post-Kyoto Protocol

negotiations (Yomiuri)

Koumura diplomacy:

13) Foreign Minister Koumura meets Pakistani president, offers that country 48 billion in yen loans, vows commitment to anti-terrorism efforts (Nikkei)

14) Koumura in surprise visit to Afghanistan announces aid to counter terrorism but states Japan's difficulty in dispatching troops for PKO (Nikkei)

15) ASEAN plus 3 finance ministers agree on \$80 billion currency fund to stabilize markets (Nikkei)

Political agenda:

16) Showdown on May 13 between ruling and opposition camps when Lower House overrides vote of Upper House on highway-building funding legislation (Nikkei)

17) Democratic Party of Japan (DPJ) Secretary General Hatoyama indicates the party will prudently use its censure-motion authority against the prime minister (Yomiuri)

18) LDP considering a basic law for permanent foreign residents that would include the establishment of an immigration agency (Nikkei)

Articles:

1) Poll: American view of Japan as trustworthy partner down 7 points

ASAHI (Page 2) (Full)
May 5, 2008

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Japan is a trustworthy partner, but it is being overshadowed... Such a trend was found from an annual survey conducted by the Foreign Ministry in the United States on Japan. In the survey, respondents were asked if they could trust Japan. To this question, "yes" accounted for 67 PERCENT, down 7 percentage points from last year. Moreover, a total of 43 PERCENT chose Japan when asked which country was the most important partner in Asia. This figure dropped 5 points from last year, as China closes in on Japan.

The survey was outsourced to the Gallup Organization, a U.S. pollster. It was taken over the telephone from February through March with a total of 1,500 persons aged 18 and over.

Those who answered "no" when asked if they could trust Japan accounted for 18 PERCENT, the lowest ever. However, the proportion of those who have "no opinion" rose 10 points from last year to 15 PERCENT. Japan remained in first place as the most important partner in Asia. However, Japan has been on the decline since it peaked at 55 PERCENT in 1995. China, which ranked second, marked an all-time high of 34 PERCENT, following last year. Russia ranked third at 10 PERCENT.

"On the whole," the Foreign Ministry explains, "a high evaluation is being maintained toward Japan-U.S. relations."

Aside from the survey of Americans, the Foreign Ministry polled a total of 1,800 persons in Indonesia, Malaysia, the Philippines, Singapore, Thailand, and Vietnam, which are members of the Association of Southeast Asian Nations (ASEAN). In this survey, China ranked first at 30 PERCENT as the most important partner, followed by Japan at 28 PERCENT and the United States at 23 PERCENT.

2) Opinion poll on Japan's attitude toward China: 51 PERCENT call for harder line

MAINICHI (Page 2) (Full)
May 5, 2008

Takashi Sudo

Ahead of Chinese President Hu Jintao's visit to Japan tomorrow, the Mainichi Shimbun conducted a (telephone-based) nationwide survey on

May 1-2. In response to a question asking whether Japan needs to shift its attitude toward China, 51 PERCENT , the largest figure, said, "Japan should deal with China in a stricter manner than now," followed by 26 PERCENT saying, "Japan should be more friendly," and 17 PERCENT saying, "Japan should continue its current approach." Some 6 PERCENT of the respondents were unable to say.

On May 4, the Chinese government began an informal dialogue with staff of the 14th Dalai Lama to discuss Tibet, but Beijing still insists that the issue is an internal affair and not a human rights issue. On the poisoned dumplings incident, Japanese and Chinese police investigators remain far apart in their views.

The results of the survey seem to be attributable to the Chinese government's hardened responses to those issues.

In response to a question asking what attitude Japan should assume toward China, even among those who are supportive of the Fukuda cabinet, 53 PERCENT say the government should take a harder line,

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far exceeding the 26 PERCENT of Fukuda supporters who said that the government should be "friendly" or the 17 PERCENT who said that the current stance should be continued.

3) Poll: Support rate for Fukuda cabinet down to 19 PERCENT

TOKYO SHIMBUN (Top play) (Abridged)
May 3, 2008

The public approval rating for Prime Minister Yasuo Fukuda's cabinet dropped 6.8 percentage points from April and reached a new low of 19.8 PERCENT , according to a public opinion survey conducted by Kyodo News. The disapproval rate rose 7.0 points to 66.6 PERCENT . The support rate fell below 20 PERCENT (in the Kyodo poll) for the first time since the cabinet of Prime Minister Mori, who stepped down before the 2001 election for the House of Councillors. The Fukuda cabinet is now in a crisis situation.

The results can be taken as reflecting public dissatisfaction with the recent reinstatement of gasoline surcharges and the introduction of a new medical fee charging system for the elderly. In the breakdown of public support for political parties, the ruling Liberal Democratic Party stood at 24.3 PERCENT , with the leading opposition Democratic Party of Japan (Minshuto) at 30.3 PERCENT . The DPJ outstripped the LDP for the first time in about five months since a survey taken in December last year. Asked about the desirable form of government, those who would like the current LDP-led coalition government to be replaced with a DPJ-led coalition government accounted for an all-time high of 50.0 PERCENT , newly double 26.7 PERCENT for the LDP-led government.

The LDP and its coalition partner, New Komeito, have now restored the gasoline surcharges with a second vote taken in the House of Councillors. Asked if this was appropriate, "no" accounted for 72.0 PERCENT , with "yes" at 21.4 PERCENT .

In the breakdown of reasons for not supporting the Fukuda cabinet, 26.6 PERCENT said nothing could be expected of its economic policy, topping all other answers.

Meanwhile, the DPJ is considering submitting a motion (in the upper chamber) to censure the prime minister. In the survey, respondents were asked if they supported this move. In response to this question, 54.7 PERCENT answered "yes," with 31.9 PERCENT saying "no." Respondents were further asked what the prime minister should do if the motion is passed. To this question, 68.1 PERCENT answered that the prime minister should dissolve the House of Representatives for a general election, with 18.5 PERCENT saying he does not have to resign and 8.4 PERCENT insisting the Fukuda cabinet should resign en masse.

4) Poll: Cabinet support down to 18 PERCENT

MAINICHI (Top play) (Abridged)
May 3, 2008

The Mainichi Shimbun conducted a telephone-based nationwide public opinion survey on May 1-2. The approval rating for Prime Minister Yasuo Fukuda and his cabinet was 18 PERCENT , down 6 percentage points from the last survey taken in April, reaching a new low (in the Mainichi series) since the Fukuda cabinet came into office in September last year. In April, the government started a new medical

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fee charging system for the elderly. Respondents were asked if they supported this. To this question, 77 PERCENT answered "no." In addition, 74 PERCENT answered "no" when asked about the reinstatement of gasoline surcharges and other provisional tax rates with a second vote taken in the House of Representatives. The survey shows that these two issues hit the Fukuda cabinet hard.

The Fukuda cabinet's inaugural support rate was 57 PERCENT but went down to 33 PERCENT in December last year. It leveled off thereafter. In the last survey, however, it dropped 6 points to 24 PERCENT . In the latest survey as well, it continued to fall.

Meanwhile, the Fukuda cabinet's disapproval rate, which was 25 PERCENT upon its inauguration, rose in the following surveys. This time as well, the nonsupport rate rose 4 points from the last survey to 61 PERCENT . The proportion of those who are "not interested" leveled off at 19 PERCENT .

In the breakdown of public support for political parties, the ruling Liberal Democratic Party dropped 4 points to 20 PERCENT , with the leading opposition Democratic Party of Japan (Minshuto) rising 6 points to 28 PERCENT . The DPJ topped the LDP for the first time since December last year. At the time, the DPJ was at 27 PERCENT and the LDP at 26 PERCENT .

5) Poll on Fukuda cabinet, political parties

NIKKEI (Page 2) (Full)
May 2, 2008

Questions & Answers

(Figures shown in percentage. Parentheses denote findings from the last survey conducted in mid-April.)

Q: Do you support the Fukuda cabinet?

Yes 21 (29)

No 68 (59)

Can't say (C/S) + don't know (D/K) 10 (12)

Q: Which political party do you support or like now?

Liberal Democratic Party (LDP) 33 (38)

Democratic Party of Japan (DPJ or Minshuto) 36 (29)

New Komeito (NK) 3 (4)

Japanese Communist Party (JCP) 5 (4)

Social Democratic Party (SDP or Shaminto) 2 (2)

People's New Party (PNP or Kokumin Shinto) 0 (0)

New Party Nippon (NPN or Shinto Nippon) 0 (0)

Other political parties 1 (1)

None 14 (16)

C/S+D/K 5 (6)

(Note) The total percentage does not become 100 PERCENT in some cases due to rounding

Polling methodology: The survey was taken by Nikkei Research Inc. over the telephone on a random digit dialing (RDD) basis. For the survey, samples were chosen from among men and women aged 20 and over across the nation. A total of 1,329 households with one or more eligible voters were sampled, and answers were obtained from 711 persons (53.5 PERCENT).

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6) DPJ President Ozawa tops Prime Minister Fukuda by 4 PERCENT points in poll on who would be more suitable as prime minister

MAINICHI (Page 3) (Full)
May 4, 2008

In the Mainichi Shimbun's telephone-based nationwide poll on May 1-2, the question was asked: who would be more appropriate as prime minister, Prime Minister Yasuo Fukuda or Democratic Party of Japan (DPJ) President Ichiro Ozawa? Only 14 percent said that they thought Fukuda was more appropriate than Ozawa, who was favored by 18 percent of the respondents. In the April poll, 20 percent of the public found Fukuda more suitable than Ozawa, and only 12 percent said they preferred Ozawa. However, 63 PERCENT said that neither of the two was suitable, continuing the high-level of dissatisfaction.

By age, 23 PERCENT of those in their twenties found Fukuda more suitable, while 15 PERCENT said they preferred Ozawa. Among those aged 70 and over, 24 PERCENT said Fukuda was more appropriate, while 19 PERCENT picked Ozawa. But among other age groups, the support rates for Ozawa topped those for Fukuda. In particular among those in their fifties, Ozawa won 16 PERCENT, and Fukuda 8 PERCENT. Among those in their sixties, Ozawa garnered 23 PERCENT, while Fukuda got 15 PERCENT. In the previous poll, Fukuda got more support rates than Ozawa in those age categories.

Asked about which party -- the LDP or DPJ -- they wanted to win in the next House of Representatives election, 24 PERCENT, a 12 point drop from the previous poll, picked the LDP, while 51 PERCENT favored the DPJ, an 11 point jump from the previous poll.

The newspaper has conducted this series nine times since last August. Although the support rates for the DPJ has been growing, in the latest poll, the support rate for the LDP reached a record low, while that for the LDP was a record high.

7) Mainichi poll: 59 PERCENT approve Lower House dissolution based on censure motion against prime minister, up 4 points, compared with previous poll

MAINICHI (Page 2) (Full)
May 6, 2008

The Mainichi Shimbun on May 1-2 carried out a nationwide telephone opinion poll. Queried about what response Prime Minister Yasuo Fukuda should make in the event of the Upper House adopting a censure motion against him, 59 PERCENT of respondents replied that the prime minister should dissolve the Lower House and hold a snap general election. This was up 4 points from the previous survey carried out in April. The Democratic Party of Japan (DPJ or Minshuto) has decided to forgo the submission of a censure motion for the time being. However, the outcome of the poll shows that the view that if such a motion is adopted, the prime minister should seek the judgment of the people at an early date has spread further.

Although 20 PERCENT of the public (down 1 point from the previous poll) took the view that since such a resolution has no binding power, the prime minister does not need to do anything, another 14 PERCENT (down 5 points) replied that the cabinet should resign en masse.

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Among those who support the Fukuda cabinet, 50 PERCENT (up 8 points from the previous poll) replied that the prime minister does not need to do anything, followed by 32 PERCENT (down 11 points), who said that he should dissolve the Lower House, and 10 PERCENT (no increase or decrease), who said that the cabinet should resign en masse. The outcome indicates that with the submission of a censure motion against the prime minister becoming a far more realistic prospect due to the ruling camp/government's re-adoption of the bill amending the Special Taxation Measures Law, reinstating the provisional gas tax rate, those who support the cabinet are becoming increasingly alarmed about the situation.

Among those who do not support the Fukuda cabinet, 72 PERCENT (up 7 points from the previous poll) replied that the prime minister should dissolve the Lower House, followed by 16 PERCENT , who said that the cabinet should resign en masse, and 8 PERCENT , who replied that the prime minister does not need to do anything.

According to party affiliation, 39 PERCENT of Liberal Democratic Party (LDP) supporters said that the Lower House should be dissolved. Almost the same number of pollees -- 38 PERCENT -- said that the prime minister need not do anything. New Komeito supporters gave even harsher replies, with 45 PERCENT saying that the Lower House should be dissolved, largely topping the 33 PERCENT who replied that the prime minister need not do anything.

Among those who support opposition parties, an overwhelming number of DPJ supporters -- 79 PERCENT called for a dissolution of the Lower House. Among unaffiliated respondents, 55 PERCENT said that the Lower House should be dissolved, followed by 23 PERCENT , who said that the prime minister does not need to do anything, and 15 PERCENT , who wanted to see the cabinet resign en masse.

8) Poll: 66 PERCENT against revising Article 9, while 23 PERCENT favor it; Gap expanding

ASAHI (Page 1) (Abridged slightly)
May 3, 2008

Ahead of May 3, Constitution Day, the Asahi Shimbun conducted a nationwide telephone-based opinion survey. In the poll, 66 PERCENT of respondents said that Article 9 of the Constitution should not be revised, while 23 PERCENT favored revision. Although 56 PERCENT of the public think the Constitution must be amended, only 37 PERCENT of them expressed the need to change Article 9, and 54 PERCENT said the article must be left intact.

The survey was conducted on April 19-20.

In a survey conducted in April 2007 under the then Abe cabinet, 49 PERCENT of respondents said that Article 9 must not be revised, while only 33 PERCENT said it should be changed. The latest survey exposed the increased gap between the two positions.

Over the last year, the previous Abe cabinet made preparations for amending the Constitution and promoted discussion on the Japan using the right to collective self-defense. Debates in the Diet also continued under the Fukuda administration, which replaced the Abe cabinet, on the dispatch of Maritime Self-Defense Force troops for the refueling mission in the Indian Ocean. All those events were

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closely associated with Article 9 and the SDF's cooperation with the United States.

Meanwhile, asked about the Constitution as a whole, 56 PERCENT of respondents pointed to the need for revision, while 31 PERCENT found such unnecessary. In the 2007 survey, the two answers were 58 PERCENT and 27 PERCENT , respectively.

Asked about reasons for constitutional reform, 74 PERCENT pointed out the need to add new rights and systems, 13 PERCENT indicated problems associated with Article 9, and 9 PERCENT expressed a desire to have a homegrown constitution.

In addition, 52 PERCENT called constitutional revision a "practical issue," down 59 PERCENT from the 2007 survey, while 35 PERCENT thought of it as a future issue, also down from 31 PERCENT . Moreover, 71 PERCENT of those who said constitutional revision was a future issue cited a lack of momentum in the public as the reason, 19 PERCENT cited the growing confrontation between the ruling and opposition camps, and 5 PERCENT pointed out the resignation of former Prime Minister Abe.

Additionally, 62 PERCENT though the currently divided Diet was "undesireable." At the same time, 58 PERCENT responded negatively to amending the Constitution to strengthen the House of

Representatives' authority, and only 23 PERCENT responded positively to such an option.

9) Poll: 48 PERCENT support constitutional revision, down 3 points from last year, 43 PERCENT favor present Constitution

NIKKEI (Page 2) (Abridged slightly)
May 3, 2008

In an opinion poll conducted by the Nikkei ahead of Constitution Day, 48 PERCENT of respondents said that the Constitution should be amended, while 43 PERCENT indicted that it should be left as is. Support for constitutional amendment dropped 3 points from the previous survey conducted in April 2007, and opposition to constitutional amendment increased 8 points. Support for constitutional amendment has been declining since 2000 when research commissions on the Constitution were established in the Diet.

Asked for multiple problems associated with the Constitution, 31 PERCENT pointed out a lack of provisions meeting changes in times, such as an environmental right and the right to privacy, 28 PERCENT pointed an insufficient view on local autonomy, and 24 PERCENT cited an insufficient provision on the Diet, such as the two-chamber system. The following factors were also cited as reasons for supporting amendments to the Constitution, (1) the need to add new views to the Constitution at 54 PERCENT, (2) some provisions that conspicuously deviate from reality at 22 PERCENT, and (3) the need to change the state system in a way to facilitate reform at 14 PERCENT. Meanwhile, 35 PERCENT of those who said the Constitution should be left as is indicated the country's top law should be left intact unless there is a compelling reason, 29 PERCENT said that constitutional revision might bring change to the country's pacifism, and 19 PERCENT indicated that the current Constitution poses no problems.

The survey was conducted by Nikkei Research on April 18-20 based on the computer-aided random digit dialing (RDD) system toward 1,541

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households with voters across Japan. Valid answers came from 908 households, or 58.9 PERCENT of the total.

10) Cabinet Office survey: 40 PERCENT wary of food safety

ASAHI (Page 2) (Full)
May 7, 2008

The outcome of a survey on awareness of food education, released by the Cabinet Office on May 3, has revealed that more than 40 PERCENT of pollees have trouble or are wary of their diet, of whom 80 PERCENT are concerned about food safety. More than 30 PERCENT of respondents cited food supply in the future as a reason for their concern or anxieties.

The Cabinet Office has carried out a face-to-face public opinion survey between February and March, targeting 3,000 persons aged 20 or older, of whom 1,745 made a valid response.

The ratio of respondents who noted that they had trouble or anxieties about their daily diet reached 44 PERCENT -- 33 PERCENT among male respondents and 53 PERCENT among female respondents. Food safety was given by the largest ratio of 81 PERCENT probably due to false food labeling incidents or the food poisoning incident involving Chinese-made frozen gyoza dumplings. Health matters of family members were cited by 51 PERCENT, followed by respondents' own health by 46 PERCENT, food supply in the future by 34 PERCENT and the impact on the environment of leftovers and the disposal of such (multiple replies were allowed).

The ratio of pollees who know the meaning of "metabolic syndrome" reached 88 PERCENT, up about 10 points from the previous survey. The government's target of over 80 PERCENT as advocated in its food education promotion program has thus been met.

11) Japan, China agree on plan to inject CO2 from China beneath oil field, joined by Japanese private and public sectors, starting in

2009

NIKKEI (Page 1) (Abridged)
May 3, 2008

The governments of Japan and China have agreed to cooperate in carrying out a project to inject carbon dioxide (CO2) emitted from a thermal power plant in China into an oil field. The project will cost 20 to 30 billion yen and will involve the participation of the Japanese public and private sectors, including JGC Corp. and Toyota Motor Corp. The two countries plan to bring the project into action in 2009, with the aim of curbing greenhouse gas emissions from China, as well as making use of the technical know-how acquired through the project for other oil-producing countries. In their meeting scheduled for May 7, the two countries' top leaders are expected to agree on the plan and incorporate it in an official statement to be issued after the meeting.

The technology to bury CO2 into the sea or the ground is called "Carbon Dioxide Capture and Storage (CCS)." It is expected that this technology will enable a halt to CO2 emissions even from thermal power plants. CCS alone will be unprofitable, but the two countries have determined that it makes financial sense if CCS is combined with an oil-exploitation project. According to the Ministry of Economy, Trade, and Industry (METI), if realized, it will be the

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first case of injecting CO2 from a thermal power plant into an oil field.

Under the plan, more than one million tons of CO2 annually from the Harbin Thermal Power Plant in Heilungkiang Province will be transferred to the Daqing Oilfield, about 100 km from the plant, and will be injected and stored in the oilfield. The viscosity of crude oil there is thick but will be decreased by injecting CO2, making it easier to exploit the oil.

More than 40 million tons of oil is produced from the said oilfield annually. The project is expected to increase this figure by 1.5 to 2 million tons. It reportedly will also become possible to keep more than 150 million tons of CO2 into storage in the future.

From Japan, the METI-affiliated Research Institute of Innovative Technology for the Earth (RITE) and other organizations plan to take part in the project, in addition to Toyota and JGC. From China, China National Petroleum Corporation and other organizations will participate. The two sides will begin negotiations on cost-sharing.

China is believed to be the world's largest CO2 emitter, surpassing the U.S. in 2007. In China, 63 PERCENT of power generated is from thermal power plants, from which large amounts of CO2 are emitted.

12) Japan-China joint statement to specify China's willingness to join negotiations on post-Kyoto framework

YOMIURI (Page 2) (Excerpts)
May 6, 2008

The leaders of Japan and China will release a joint statement on climate change after their meeting scheduled for May 7. According to the full text of the statement revealed yesterday, the statement specifies that the two countries will deepen technical cooperation in energy-saving and four other areas. It also expresses China's willingness to join negotiations on designing the international regime on climate change that will follow the Kyoto Protocol.

The two countries will deepen cooperation in these five areas: (1) energy conservation and renewable energy; (2) clean coal technology, including improvement in such facilities as thermal power plants; (3) recovery and utilization of methane; (4) recovery and storage of carbon dioxide; and (5) methods to reduce damage from climate change. Of these, it is an imminent challenge to take some measures regarding thermal power plants, from which large amounts of greenhouse gases have been generated in China.

The statement also mentions Japan's support for China's plan on

measures to deal with climate change. In the plan released in June of last year, China commits itself to reducing 950 million tons of emissions by 2010 in the energy sector.

Further, the statement specifies that China will work out methods and measures to stabilize emissions in cooperation with other countries, paying attention to Japan's long-term goal of halving emissions worldwide by 2050. China will express a positive stance toward a long-term target for the first time.

Additionally, China praises in the statement the sector-specific approach proposed by Japan, calling it "an important method to translate emission-cut goals and plans into action."

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13) Foreign Minister Koumura, now visiting Afghanistan, expresses assistance in antiterrorism measures

NIKKEI (Page 2) (Full)
May 5, 2008

Takeshi Nagasawa, Kabul

Foreign Minister Masahiko Koumura arrived in Afghanistan on the morning of May 4 (afternoon of the same day, Japan time) and met with Afghan President Karzai. The two leaders agreed to work in closer cooperation in the fight against terrorism. Koumura is visiting Afghanistan as part of a step toward realizing a "peace-fostering nation," an idea advocated by Prime Minister Yasuo Fukuda. With the upcoming Group of Eight (G-8) Hokkaido Toyako Summit in July in mind, the prime minister is bent on giving shape somehow to this concept.

In the meeting with Karzai, Koumura referred to the Self-Defense Forces' (SDF) refueling mission in the Indian Ocean and highlighted Japan's stance of continuing cooperation on the antiterrorism campaign. In addition to the total sum of \$1.45 billion dollars in aid to Afghanistan already announced by Japan, Koumura told Karzai that Japan would offer another tranche of financial assistance to Afghanistan. The president expressed his gratitude: "We have understood well the role played by Japan in the refueling mission."

Prior to the session with the president, Koumura met with Foreign Minister Spanta and told him: "As a country that aims to become a peace-fostering nation, we want to further consolidate international solidarity for assistance to Afghanistan."

Koumura's visit to Afghanistan is the first time since Foreign Minister Nobutaka Machimura traveled to that country in April 2005. Koumura arrived in Afghanistan from Pakistan aboard a chartered plane on the morning of May 4 and departed that country by the end of the day. His visit to Afghanistan was kept secret until just before his arrival in the country because of security reasons.

Japan's assistance to Afghanistan consists of antiterrorism measures and financial cooperation. This assistance is "one priority task" for Japan, which is making efforts as a peace-fostering nation, a senior Foreign Ministry official noted. Despite Koumura's stay in that country for only six hours, he went to the trouble of stopping there because he wanted to demonstrate to an international audience the extent of Japan's contributions.

The idea of becoming a peace-fostering nation was revealed by Fukuda in his Diet policy speech this past January. Fukuda mentioned it because he believes it is essential to provide human contributions to peace-building efforts so that Japan has a presence in the international community, in spite of China and India gaining influence in the international community. This idea features overseas dispatches of the SDF. Japan has been studying the case of sending the SDF to the ongoing United Nations peacekeeping operations in the southern part of Sudan, a country that is drawing much attention of the world as it is impossible constitutionally for the SDF to take part in the International Security Assistance Force (ISAF) under NATO.

However, coordination for a dispatch of SDF personnel to the United

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Nations Mission in Sudan (UNMIS) operating in the southern part of Sudan has hit a snag. As an alternative, Japan is considering sending some SDF officers to that region, but Tokyo is not sure of their dispatch to the region.

An idea of dispatching Japan Coast Guard (JCG) officials to the United Nations Integrated Mission in Timor-Leste (UNIT) surfaced at one point. Coordination for this sort of dispatch, however, is taking much time, too, even though the JCG has sent two or three officers to the Philippines, Indonesia, and Malaysia for the purpose of personnel training.

The number of personnel Japan has sent for PKO totaled 38. This figure ranked the 82nd among the 119 countries. Soon after Fukuda announced this past January the notion of Japan becoming a peace-fostering nation, two police officers deployed in East Timor returned home. Since then no personnel has been dispatched abroad. Taking all these things into consideration, Koumura apparently chose Afghanistan to visit.

Specific steps taken by the Japanese government to realize a "peace-fostering nation" advocated by the prime minister and the actual state

Specific steps Actual state

Proactive participation in PKO Japan has sent SDF personnel to Nepal and the Golan Heights. The number of personnel dispatched by Japan was less than those of China and South Korea and ranked the 82nd in the world.

Financial assistance through ODA The amount of ODA to be used in the peace-building area almost tripled in fiscal 2006 from the level in fiscal 2002. Meanwhile, the overall ODA budget dropped to 38 PERCENT of the peak in fiscal 1997.

Personnel training Implemented personnel training related to peace-building in cooperation with universities and other organizations.

Permanent legislation for overseas dispatch of SDF Gave up on the plan of submitting related bills to the current session of the Diet. The bills are likely to be submitted to the upcoming extraordinary Diet session in the fall.

14) Foreign Minister Koumura, President Musharraf confirm cooperation on antiterrorism measures

NIKKEI (Page 2) (Full)
May 4, 2008

Islamabad, Takeshi Nagasawa

Visiting Foreign Minister Masahiko Koumura met with President Musharraf on May 3. In the session, the two leaders confirmed cooperation in the fight against terrorism. In this regard, Koumura emphasized Japan's plan to continue cooperation through refueling services in the Indian Ocean. They exchanged letters of agreement to increase yen loans to be used for development of infrastructure up to a total of 48 billion yen, more than double the previous amount.

In the session, Koumura declared: "Stability and development in Pakistan will be linked directly to stability in the international community. Japan will help (Pakistan) on both political and economic fronts." Musharraf expressed his gratitude and called for further assistance in such areas as health and medical treatment.

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Koumura also met with Prime Minister Gilani and Foreign Minister Qureshi. The two agreed on four projects to receive yen loans. Yen loans will be used to develop farm villages in rural areas and to construct power transmission facilities and substations.

15) ASEAN plus Three: Agreement reached at finance ministerial to

set amount for currency swap agreement at 80 billion dollars in readiness for market destabilization

NIKKEI (Page 1) (Abridged slightly)
May 5, 2008

Japan, China, South Korea and the Association of Southeast Asian Nations (ASEAN) on May 4 held a finance ministerial meeting in Madrid. Participants agreed to set an amount for a currency swap agreement at 80 billion dollars or about 8 trillion yen. The envisaged agreement is intended to replace the present bilateral currency swap system. The size of funds for swap will also be significantly expanded from the current 58 billion dollars.

A decision was reached for Japan, China and South Korea to outlay 80 PERCENT of the swap framework, and for ASEAN to fund the remaining amount. Participants also discussed conditions for invoking the supply of such funds and a possible mechanism of mutual surveillance of such matters as an economic situation.

Winding up the financial ministerial, participants the same day issued a joint statement. The statement pointed out that the global economy is facing a difficult time. As risks that could prop up in the future, it cited destabilization of the financial market and inflation in the wake of a sharp rise in energy and food prices. Regarding the economies of Japan, China, South Korea and ASEA, the statement stressed that they are at present maintaining robust growth. Regarding the future, it said the growth would weaken slightly.

16) Diet battle between ruling and opposition camps reaching climax as Lower House will likely revote on May 13 on special road law revision bill

NIKKEI (Page 2) (Full)
May 6, 2008

Maneuvering between the ruling and opposition parties will reach a climax in the final stage of the current Diet session over a revote at the House of Representatives on a bill amending the Road Construction Revenues Special Exemption Law, intended to reinstate the road-related tax rates for another ten years. The ruling coalition intends to hold a revote on the bill on May 13. Riding its victory in the Lower House by-election for the Yamaguchi No. 2 constituency, the main opposition Democratic Party of Japan (DPJ) plans to pursue the government on the issues of tax revenues earmarked for road construction projects, as well as the new medical system for those 75 and over. As it stands, the ongoing Diet session is likely to fall into confusion.

"We must overcome the critical stage on the 13th at any cost, so I will rely on you," Prime Minister Yasuo Fukuda told former Prime Minister Yoshiro Mori and Mikio Aoki, former chairman of the LDP caucus in the House of Councillors, on the night of April 27 at his official residence. Fukuda also instructed to Secretary General

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Bunmei Ibuki and other LDP executives to coordinate views in the party.

Since the bill cleared the Lower House on March 13, it will be possible to hold a revote on it on May 12, as Article 59 of the Constitution stipulates that the Lower House can take a second vote after 60 days a bill is sent to the Upper House. As the ruling camp has insisted that early enactment of the legislation is indispensable in order to implement the budget for road construction, it plans to hold a revote on the bill on the afternoon of May 13 at a Lower House plenary session.

Some junior LDP lawmakers initially indicated that they might oppose the bill on the grounds that its passage would go against Fukuda's policy of integrating the special account for road construction into the general account. However, the possibility of their opposing the bill has become slim because Fukuda ordered the party to make a cabinet decision before the Lower House takes a revote on the bill. However, the party leadership intends to tighten its rules in the

party to compel all party members to vote for the bill.

17) Hatoyama on road override vote: "Some members are naturally cautious about submitting a censure motion against the prime minister"

YOMIURI (Page 2) (Abridged slightly)
May 6, 2008

Democratic Party of Japan Secretary General Yukio Hatoyama made the following comment to the press on May 5 in Karuizawa Town, Nagano Prefecture, about the option of submitting a censure motion against Prime Minister Yasuo Fukuda to the House of Councillors: "If we are to submit a motion, it must force the Fukuda cabinet either to resign or dissolve the Lower House for a snap general election. In view of what is best, we strongly believe conducting thorough deliberations at the Diet is desirable, and it is natural that some are cautious about submitting a motion immediately after May 13." He thus indicated that the DPJ would forgo its plan to submit a censure motion immediately after the ruling bloc takes a Lower House override vote on May 13 on a bill amending the Road Construction Revenues Special Measures Law, which allows gasoline revenues to be used only for road improvement for 10 years.

Hatoyama also indicated that a decision on submitting a motion should not be made until the very end of the current Diet session, saying: "On June 15, the government is going to automatically withdraw medical insurance premiums for the elderly from their pension benefits for a second time. We are going to submit to the Diet a bill abolishing the system to proceed with Diet debate. That is going to be a chance to us."

18) LDP launches study of basic law for settlement of foreigners

NIKKEI (Page 1) (Full)
May 5, 2008

The ruling Liberal Democratic Party (LDP) has begun looking into the possibility of establishing a basic law to promote settlement of foreigners. Besides the establishment of an Immigration Agency, which would in charge of accepting foreigners, who work in Japan for a certain period, as well as management policy, the LDP will substantially review the existing training system for foreigners,

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which has been criticized for such problems as illegally low labor wages. With the declining birthrate trend in mind, the LDP also wants to create a system to secure talented personnel from overseas. The party aims to submit a bill to next year's regular Diet session and enact it during that session.

The LDP's panel made up of about 80 Diet members, headed by former Secretary General Hidenao Nakagawa, will compile a set of proposals in mid-May.

At present, Japan allows such experts as technicians and interpreters to work in the country. The LDP's panel will study standards for a new system replacing the existing training system, which is called a conduit to receive manual labors.

An Immigration Agency would be in charge of coming up with standards for accepting foreign labors, as well as for granting Japanese nationality, and comprehensive policies for Japanese language education, among other matters.

DONOVAN